

# **Sacramento Bee**

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## **No cash flows for water plan: Future of Cal-Fed in doubt**

By Michael Doyle, Bee Washington Bureau

WASHINGTON -- A much ballyhooed new California water plan anticipates torrents of federal spending, but Congress so far is keeping the money taps turned off.

On Monday night, just days after Gov. Gray Davis and Interior Secretary Bruce Babbitt trumpeted the expensive and far-reaching water deal, a key House panel chose not to give it any money at all. The deliberate snub, at least partially engineered by Rocklin Republican John Doolittle, calls into question the future of plans to restore Central Valley waterways [see related article below: "Panel votes to keep river tunnel in the flow"].

"Potentially, it's a blow," Steve Hall, executive director of the Sacramento-based Association of California Water Agencies, said Tuesday. "If by the end of this Congress they haven't appropriated any money, it's going to have a chilling effect on the program."

Ultimately, California water gurus expect Congress will kick in at least some money this year for the ambitious water plan that goes under the name Cal-Fed. The new funding roadblock, though, illustrates the kind of furious policy disputes still kicking below the cheerful surface presented Friday.

The \$8.6 billion, seven-year plan sketched out then by state and federal officials is supposed to reinvigorate the supremely valuable Bay-Delta estuary and ensure continued water supplies statewide. The Delta provides drinking water for some 22 million Californians and irrigation water for more than 250 Central Valley crops.

Of the total \$8.6 billion, about \$2.4 billion is slated to come from the federal government. This would pay for an assortment of levees, pipes, canal improvements, environmental restoration programs and more.

"Federal spending is going to be a big part of this thing," Rep. George Radanovich, R-Mariposa, said Tuesday.

The House energy and water appropriations subcommittee, though, concluded that the money shouldn't start flowing yet. While the Clinton administration had requested \$60 million for next year's Cal-Fed program, the House funding panel voted behind closed doors to provide nothing.

One reason is that money is tight for all energy and water projects. Some lawmakers are also unhappy that California hasn't yet spent money that was previously appropriated by Congress.

But the big reason for the cutoff is because the law authorizing federal Cal-Fed spending expires this year. For many months, the panel chaired by Rep. Ron Packard, R-Carlsbad, had warned that the Cal-Fed money wouldn't come unless the law was renewed. Doolittle, chairman of the subcommittee responsible for water legislation, thus far has declined to act.

"The stakes in not re-authorizing this are potentially very significant, in the possibility of losing out on \$60 million," Rep. Cal Dooley, D-Hanford, said Tuesday. "I'm hopeful that President Clinton can basically bail out Congress from its inaction."

Doolittle's policy is not to talk to Bee reporters. However, in a prepared statement, he raised numerous questions about the new water plan.

Behind the scenes, California water lobbyists share many of Doolittle's concerns, which include the prospect for new storage facilities and a planned 400,000 acre-feet "environmental water account." A hearing before Doolittle's House water and power subcommittee tentatively set for June 29 could flesh out some of the controversies.

"We've got a lot more work to do," said DeeDee D'Adamo, water staffer for Ceres Democrat Gary Condit. "We're trying to be creative and explore all options."

The 56-page water plan released with great fanfare Friday omits many of the most pressing details, which negotiators still must work out.

Key California water players also will be figuring out how to keep federal dollars flowing. In some cases, existing laws give the government the authority it needs to spend more money.

In the case of the Cal-Fed money, one option under discreet discussion assumes Doolittle won't act on the authorizing legislation. But under this scenario, Democratic Sen. Dianne Feinstein would use her position on the Senate Appropriations Committee to ensure that California still gets its money -- perhaps as part of an omnibus spending package that a harried Congress approves just before leaving Washington for the year.